

Affordable Housing Predevelopment Loan Term Sheet

Terms

- 12-24-months; matures upon closing of construction financing.
- Up to \$1,000,000.
- Monthly draws with proceeds wired directly to 3rd party vendors or reimbursed to borrower.
- Interest due debited from loan proceeds on the 15th of every month.

Fees

- No application fee.
- 1% loan fee due at closing.
- Documentation fee estimated not to exceed \$4,000.

Use of Funds

- Any soft cost to be reimbursed at construction closing from budget lines other than developer fee, such as:
- Environmental reports
 - Option fees
 - Architectural/engineering
 - Legal
 - Tax credit reservation fees

Eligible Developments

Rental housing developments utilizing Low-Income Housing Tax Credit (LIHTC) financing, or properties utilizing a public funding source which restricts household income and unit rent to a maximum of 80% AMI for the majority of project units.

Rate

Fixed interest rate locked at time of approval. Rate is 7.50% as of June 2024.

Term

12–24 months.

Collateral

No real estate collateral required with LIHTC reservation. Full recourse to developer/borrower. Increase to maximum loan amount available with additional collateral.